

Discussion on Major OQ Issues

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Agencies and Industry

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Issues to be Discussed

- Inspections need to include evaluation of “how” operators address rule requirements
- Evaluation for knowledge, skills & physical capability
- Reevaluation interval
- Criteria for small operators
- Guidance for direction & observation of non-qualified people performing covered tasks
- Noteworthy practices

Issues to be Discussed, continued

- Distinction between maintenance and new construction
- Treatment of emergency response
- Additions to covered task list
- Extent of documentation
- Treatment of training
- Abnormal operating conditions (AOCs)
- Identification of persons contributing to an incident or accident

Regulatory Issues & Advocates

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| 1. | Scope of OQ Inspections | 1. | Tom Woosley & Paul Wood |
| 2. | Evaluation of KSA | 2. | Ron Wiest & Paul Wood |
| 3. | Reevaluation Interval | 3. | Ron Passmore & Warren Miller |
| 4. | Criteria for Small Operators | 4. | David Born & John Haddow |
| 5. | Direction & Observation of Non-Qualified People | 5. | David Born & Lynnard Tessner |
| 6. | Noteworthy Practices | 6. | Tom Woosley & Warren Miller |
| 7. | Maintenance vs. New Construction | 7. | David Born & John Haddow |
| 8. | Treatment of Emergency Response | 8. | Ron Wiest & Lynnard Tessner |
| 9. | Additional Covered Tasks | 9. | Ron Wiest & Paul Wood |
| 10. | Extent of Documentation | 10. | Ron Passmore & Chris McLaren |
| 11. | Treatment of Training | 11. | Corky Hanson & Chris McLaren |
| 12. | Abnormal Operating Conditions | 12. | Tom Woosley & Dave Waters |
| 13. | Persons Contributing to an Incident or Accident | 13. | Corky Hanson & Dave Waters |
| | | 14. | Deb Haifleigh, Association of Oil Pipe Lines |
| | | 15. | Pinkney Bynum, Piedmont Natural Gas Co., AGA |
| | | 16. | Kent Denny, Duke Energy, INGAA |
| | | 17. | Byron Ables, American Petroleum Institute (API) |
| | | 18. | Mike Comstock, American Public Gas Assn (APGA) |
| | | 19. | Dennis Condon, Henkels & McCoy, Inc., Contractor |

Scope of OQ Inspections

- **Issue:** Should inspections go beyond evaluation of compliance with prescriptive requirements of the Rule?
- **Regulatory Perspective:**
 - Regulators cannot await performance trends to show whether operator programs are working
 - Inspection against provisions in the OQ Rule must include evaluation of the approach operators take to satisfy the provisions
- **Resolution Options:**
 - Jointly develop “criteria” and “benchmarks”

Evaluation for Knowledge, Skills & Physical Ability (KSA)

- Issue: Should evaluation leading to qualification consider knowledge, skills & physical ability (KSA)?
- Regulatory Perspective:
 - Some form of evaluation or verification is needed that persons performing covered tasks possess the needed KSAs
 - Each covered task may have different ways to evaluate KSAs (e.g., knowledge testing, observation of performance, physical examination, supervisor verification of physical ability)
- Resolution Options:
 - Accept existing practices in the interim, and allow evolution to practices defined by “benchmarks”

Reevaluation Interval

- Issue: How should reevaluation intervals be supported and justified?
- Regulatory Perspective:
 - Initial reevaluation intervals can be based on precedents from other regulatory agencies
 - However, means are needed to monitor and trend performance resulting from intervals selected, and adjust intervals as appropriate
- Resolution Options:
 - Industry-wide error trending
 - Conservatively defined intervals

Criteria for Small Operators

- Issue: Will small operator OQ Programs be subject to the same criteria as large operators?
- Regulatory Perspective:
 - Review of the Protocols has shown that most questions apply to both large and small operators
 - Based on the definition of “Criteria” discussed earlier, the same criteria will apply to all
 - The practices used by small operators to address rule requirements are expected to be significantly different
- Resolution Options:
 - Regulatory/Industry collaboration on development of “benchmarks” for both large and small operators

Direction & Observation of Non-Qualified People

- **Issue:** Is guidance needed to support supervisors in determining how many non-qualified people can be directed and observed by one qualified person?
- **Regulatory Perspective:**
 - Different tasks can be directed & observed differently
 - Time available to recognize and correct error needs to be considered in defining span of control
 - Guidance is needed to avoid unnecessarily burdening supervisors
- **Resolution Options:**
 - Joint development of sample guidance

Noteworthy Practices

- **Issue:** Should regulators play a role in the identification and communication of “noteworthy practices”?
- **Regulatory Perspective:**
 - Noteworthy practices should aid in improving efficiency and effectiveness in satisfying requirements
 - Recognition and communication of these practices is in everyone’s interest
 - Such practices represent good *examples* of how to address requirements
- **Resolution Options:**
 - Agree on means to identify and communicate noteworthy practices

Maintenance vs. New Construction

- Issue: How should we distinguish between new construction and maintenance in defining covered tasks?
- Regulatory Perspective:
 - New construction tasks are not currently covered
 - Tasks involving replacement-in-kind (e.g., corroded pipe segment replacement) should be covered
 - Tasks performed on the right-of-way should be covered
- Resolution Options:
 - Jointly agree on extent of coverage, or
 - Issue supplementary rule expanding coverage

Treatment of Emergency Response

- **Issue:** Does the rule cover emergency response tasks; if not, what are its bounds?
- **Regulatory Perspective:**
 - The rule preamble inappropriately excludes emergency response tasks from coverage by the rule
 - Emergency response activities are included in O&M section of regulations
 - It is inconsistent to allow covered tasks to be performed by unqualified people in emergencies
- **Resolution Options:**
 - Jointly agree on extent of coverage

Additional Covered Tasks

- Issue: Is pipeline excavation a covered task?
- Regulatory Perspective:
 - Pipeline excavation is one of the major sources of incidents and accidents
 - We believe excavation is included as an O&M task (see §195.442) and should be covered
 - Other questionable but important tasks may be identified
- Resolution Options:
 - Jointly agree on extent of coverage

Extent of Documentation

- Issue: What OQ records must be developed and maintained by the operators
- Regulatory Perspective:
 - Four records noted in the rule
 - Additional records noted in the operator's Program
 - Other records needed to document practices and results on which the operator depends for rule compliance
- Resolution Options:
 - Mutual agreement and evolution in documentation

Treatment of Training

- Issue: Should training practices be evaluated in OQ inspections?
- Regulatory Perspective:
 - Training, while not explicitly required by the rule, is key to implementing many steps in the OQ Rule
 - Inspection of the effectiveness of the evaluation methods used to satisfy requirements of the rule must include the role of training in the operator's program
 - The new statute requires consideration of training
- Resolution Options:
 - Mutual agreement

Abnormal Operating Conditions

- Issue: Should the listing of AOCs be dynamic?
- Regulatory Perspective:
 - AOCs that qualified people are able to recognize and react to include generic and task-specific conditions
 - Developing a complete list is not possible
 - Operators need means to incorporate newly recognized AOCs (e.g., from near-misses) in the set used in qualifying people
- Resolution Options:
 - Mutual agreement

Persons Contributing to an Incident or Accident

- **Issue:** Should operators have documented means to identify covered tasks whose performance may have contributed to incidents or accidents along with people who performed these tasks?
- **Regulatory Perspective:**
 - Such documented practices are required by the rule
 - Reference to existing record practices may satisfy the requirement in the near-term and possible in the longer-term
- **Resolution Options:**
 - Mutual agreement and evolution in documentation